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Employers' Perspective: The Indicators of Reemploy Ability Needs for the Older Unemployed in Taiwan

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Abstract: The purpose of this study was to make short of reemploy ability needs scale. The results showed that the short version of the RANS contains six subscales, a total of 18 items, full-scale reliability was .91, explained variance 80.67%.

Background

Careers once characterized by stability, vertical progression and job security, are now likely to involve lateral movements across organizations, increased instability, and periods of unemployment for most workers (McArdle, Waters, Briscoe, & Hall, 2007). According to the national statistics for August 2012, the unemployment rate of the population over the age of 40 accounted for 27% of all unemployment rate in Taiwan (Directorate-General of Budget, Accounting and Statistics, Executive Yuan, R. O. C., 2012). Their position is summarized in a review of OECD countries: Labor market mobility in terms of new hires is lower for older workers. While rates of job loss are similar for younger and older workers, the latter are more prone to experience long-term unemployment. A shift to economic inactivity is generally permanent across older age groups (Organization for Economic Co-operation and Development, 2006). Out went supposedly outmoded beliefs concerning the benefits of early retirement; instead, extending working lives became the policy objective. In this study, we adopted the employers' point of view to understand employers wanted older job seekers to have what kinds of abilities.

Theoretical Framework and Purpose of the Study

According to Fugate, Kinicki, and Ashforth (2004) indicated that employability comprises three separate, yet inter-related, dimensions: (i) adaptability; (ii) career identity; and (iii) human and social capital. Adaptability refers to the willingness and ability to change behaviors, feelings and thoughts in response to environmental demands. The second employability dimension, career identity, represents the way individuals define themselves in the career context, and can be conceptualized as a ‘cognitive compass’ used to navigate career opportunities. Human and social capital refers to the personal variables that may affect one’s career advancement, including education, work experience, training, skills, and knowledge. McArdle et al. (2007) was based on the point of view of the unemployed people and empirically tested Fugate et al.’s model in a sample of 416 unemployed Australians (63% male and 37% female) with a mean age of 33.63 years (SD = 11.17). Employability was measured in three dimensions of adaptability, career identity, human, and social capital and proactive personality and boundary less mindset were used as proxy measures for adaptability. The results indicated that the measurement model for the latent constructs (employability) was assessed in order to ensure the validity of the measures and accepted as a good fit for the data (as shown in left of Table 1).

Yang (2003) conducted a survey to understand the abilities which equipped new employees from the executives' views of various human resources departments in Taiwan. Yang conducted factor analysis and pointed out that the unemployed should have the abilities to re-employment were including nine dimensions (measured from 84 items)as follows: "interpersonal communication", "cognition, thinking

and problem solving", "identity and team spirit", "change, adventure and innovation", "lifelong learning", "technology and information management abilities", "self-management and adaptation", "planning, organizing and administrative", "knowledge and techniques." Structural equation model analysis of questionnaire data can establish (with much more confidence than exploratory factor analysis), provided sufficient cases are available and sufficiently precise instrumentation is used, whether a model so mis-fits the data that it can be rejected (Teo & Khine, 2009). The purpose of this study were to explore the dimensions of reemploy ability needs of employers' perspective and to make short of the Yang's reemploy ability needs scale (RANS) for older unemployed by using SEM to examine the measurement model. The dimensions of this study simplifies RANS was summarized as shown in Table 1.

Table1 *Dimensions of Older Unemployed Reemploy Ability of this Study*

McArdle's et al. (2007) dimensions of employ ability(unemployed's perspective)	Yang's（2003）dimensions of reemploy ability(employers' perspective)	Dimensions of reemploy ability needs scale for older unemployed in this study(employers' perspective)
1. Proactive personality		
2. Boundary less mindset		
3. Career self-efficacy		
4. Identity awareness	1. Identity and team spirit	1. Career Identity
5. Social support	2. Interpersonal communication	2. Communicate skills
6. Networking	3. Self-management and adaptation	
	4. Cognition, thinking and problem solving	3. Cognitive thinking
	5. Change, adventure and innovation	
	6. Planning, organizing and administrative	4. Project execution
	7. Technology and information management abilities	5. Market analysis
	8. Lifelong learning	6. Professional knowledge and skills
	9. Knowledge and techniques	

Methods

In this paper, we first made a review of relevant literature, designed adequate statistical technique, and then used "survey research data archive (SRDA)" to attain the purpose mentioned above. The survey data were retrieved from SRDA including 132 effective samples and 84 items of RANS for older unemployed, the original scale items were excessive and not supported by the theory. Therefore this research used AMOS 6.0 confirmatory factor analysis to understand the best measurement model. Analysis was conducted with AMOS using maximum likelihood estimation. The RANS, each item rated on bipolar agree-disagree statements on a 5-point Likert scale (1=strongly disagree, 5=strongly agree), and employers were asked to select the one that most accurately describes their consideration.

Results

Each analysis was carried out in multiple steps. With additional review of RANS, through item analysis, we omitted items which didn't exist in significant difference between lower (below 27%) and higher (above73%) scores group. Next, through Pearson product-moment correlation between each item

scores and overall scores, we omitted items corresponding to Pearson's r value less than .30 or didn't exist in significant correlation. Furthermore, we conducted exploratory factor analysis, and extracted six factors, to delete items based on the following criteria: 1. factor loadings less than 0.7; 2. one item had double loading and factor loadings were greater than 0.7. Then based on six dimensions with 18 items, we conducted confirmatory factor analysis and results shown in Figure 1. Finally, we got 18 items as shown in table 2.We used AMOS for analysis, model 1 with 6 main categories with 18 items but model 1 did not have good fit indices. After many times model revised, we find a better fit model which divided into 6 dimensions with 18 indicators in total, including project execution (3 items), cognitive thinking (3 items), career identity (3 items), market analysis (3 items), professional knowledge and skills (3 items), communicate skills (3 items). With the use of AMOS to confirmatory factor analysis, a review of the fit indexes showed significant $\chi 2$ value of 199.64, $\chi 2$/df value of 1.68, GFI value of 0.86, AGFI value of 0.80, CFI value of .95, and RMSEA value of 0.07. All regression weights had statistically significant critical ratios (α=.05) and correlations greater than .22 were statistically significant(α=.05). An estimate of reliability coefficient for RANS and Cronbach's alpha is .91. We consider the model to represent the best fitting model of RANS structure.

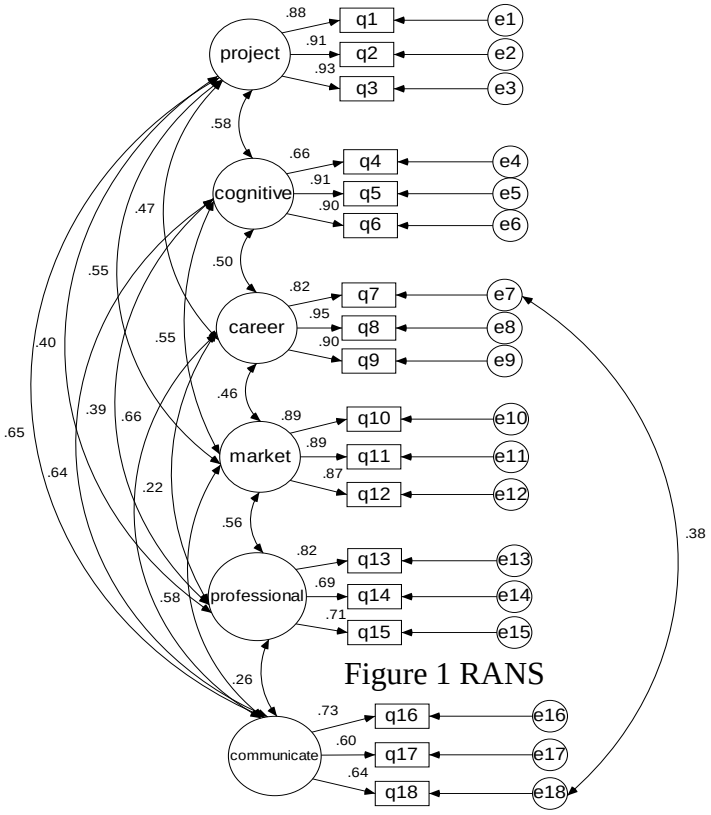

Figure 1 RANS

Figure 1 RANS Amos standardized estimates of measurement model

Table 2 *RANS factor analysis results*

Items	*t* value	*r* value	dimension	Cronbach's α	Explained variance(%)
1.Ability to consider the feasibility of the plan content	-9.65***	.73***	Project execution	.93	42.15
2.Ability of project execution management	-10.58***	.73*	Project execution		
3.Ability to assess the results of the plan	-11.63***	.78***	Project execution		
4.With adventurous spirit of adventure	-5.62***	.60***	Cognitive thinking	.86	11.91
5.Logical reasoning ability	-8.57***	.72***	Cognitive thinking		
6.Ability of critical thinking and objective judgment	-8.84***	.73***	Cognitive thinking		
7.Professional ethics and morality	-4.61***	.60***	Career Identity	.92	8.23
8.Work attitude and enthusiasm	-4.33***	.60**	Career Identity		
9.Company loyalty	-3.78***	.57***	Career Identity		
10.Ability of market analysis and expansion	-10.06***	.74***	Market analysis	.91	6.90
11.Customer management capabilities	-7.74***	.72***	Market analysis		
12.Ability of the marketing planning	-8.17***	.66***	Market analysis		
13.Ability to study and development	-7.62***	.58***	Professional knowledge and skills	.78	6.39
14.Ability of the production technology	-4.48***	.39***	Professional knowledge and skills		
15.Ability of introduction and management of new technologies	-5.36***	.51***	Professional knowledge and skills		
16.Ability of using words to express	-6.15***	.62***	communicate skills	.72	5.09
17.Ability to use body language	-6.31***	.55***	communicate skills		
18.Ability to use empathy	-6.22***	.57***	communicate skills		
			RANS	.91	80.67

Discussion and Conclusion

The results showed that the revised RANS exploratory and confirmatory factor analysis including six subscales as following: "project execution", "cognitive thinking", "career identity", "market analysis", "professional knowledge and skills", "communicate skills", a total of 18 items, the cumulative total explained variance of 80.67%, subscales Cronbach's α between .72 to .93, and overall reliability Cronbach's α = .91. The new RANS had good reliability and construct validity. Considerable debate exists as to appropriate standards for these various measures. Barrett (2007) has argued that statistically non-significant overall χ^2 value indicate good fit. Marsh, Hau, and Wen (2004) argue that these standards rejected too many well fitting models and instead suggested that a statistically non-significant χ^2/df (α>.05) be used or less than 2.0 was a better model. Although this study model with observed data has not a good fit, but Bagozzi and Yi (1998) suggests that the sample size to be considered, the chi-square to degrees of freedom ratio (χ^2/df =1.68) was good. GFI is an absolute fit index and provides a measure of the amount of variance/covariance in the sample matrix that is predicted by model implied variance/ covariance matrix (Teo & Khine, 2009). When GFI value greater, AGFI value will be greater. The GFI, AGFI value should approximate 1 to demonstrate the best fit of the model but it didn't have absolute standard to determine. Browne and Cudeck(1993) demonstrated that models had reasonable fit when RMSEA was between .05 to .08. CFI is incremental fit indices and test the proportionate

improvement in fit by comparing the target model to be a baseline model with no correlations among observed variables and CFI values approximating 0.95 is indicative of good fit (Bagozzi & Yi, 1999). In this study, the path model results showed adequate fit to the data.

Suggestion

For models with about 75 to 200 cases, the chi square test a reasonable measure of fit. But for models with more cases (400 or more), the chi square is almost always statistically significant. Chi square is also affected by the size of the correlations in the model: the larger the correlations, the poorer the fit. For these reasons alternative measures of fit have been developed (Kenny, 2012). The sample size should be considered in the future and use different sample groups to conduct analysis.

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